



NHSC PRIVATE PRACTICE OPTION AGREEMENT

This agreement is to be completed by National Health Service Corps (NHSC) applicants and participants who have submitted an NHSC Private Practice Option (PPO) Request Form, work in a solo or group practice; are full or partial owners in the NHSC-approved service site at which they serve; are not subject to the personnel system of the NHSC-approved service site at which they serve; do not receive malpractice insurance or tail coverage through the site; or do not receive a salaries at least equal to that of a federal civilian employee.

The Secretary of Health and Human Services ("Secretary") is authorized under Section 338D of the Public Health Service Act (42 U.S.C. § 254n) to release a National Health Service Corps (NHSC) scholarship or loan repayment participant (the "Individual") from his/her obligation to serve as a Corps member so that the Individual may instead serve under the Private Practice Option (PPO). Such release is contingent on the Individual submitting an approvable PPO application and entering into a PPO Agreement with the Secretary.

Note: This agreement does not take effect, and the Individual will not receive service credit under the PPO, until the Secretary, or his or her designee, countersigns this agreement and the Individual begins full-time clinical practice at the site(s) identified below. Individuals serving under the PPO are ineligible to serve half-time.

Individual's Name (Please Print) Last Four Digits of Social Security Number Phone

Form box for Site Name, Address, City, and State.

Form box for Site Name, Address, City, and State.

Form box for Site Name, Address, City, and State.

Form box for Site Name, Address, City, and State.

The Secretary agrees to:

- 1. Allow the Individual to serve in the full-time clinical practice of his or her profession for the remaining period of the Individual's NHSC service obligation, at the location(s) specified above, by releasing the Individual from his or her obligation to serve as a Corps member.
2. Cancel the Individual's private practice obligation or default repayment obligation if the Individual dies before fulfilling either of these obligations.
3. Exercise reasonable care and provide adequate safeguards to assure the confidentiality of information regarding individuals identified in any records reviewed during the conduct of Department assessments is not compromised by the misuse of such information.
4. Provide, upon the Individual's request and subject to the availability of appropriated funds, technical assistance to the Individual to assist in fulfilling his/her private practice obligation.

Secretary of HHS/Designee Title (if Designee)

Signature Date

The Individual agrees to:

- 1. Enter into the full-time private clinical practice of his or her profession, as defined below, in a Health Professional Shortage Area approved by the Secretary to fulfill his/her remaining service obligation under the PPO. At least 80 percent of the patients served by the Individual must be residents of the approved HPSA (if a geographic or facility designation) or members of the approved HPSA (if a population group designation).



2. **Full-Time Clinical Practice Requirement:** PPO participants must work in the full-time clinical practice of their profession. Full-time is defined as a minimum of 40 hours per week, for a minimum of 45 weeks per service year. The 40 hours per week may be compressed into no less than 4 days per week, with no more than 12 hours of work to be performed in any 24-hour period. Of the 40 hours per week, a minimum of 32 hours must be spent providing direct patient care (including teaching). No more than 8 hours per week can be spent in an administrative capacity. Participants do not receive service credit for hours worked over the required 40 hours per week and excess hours cannot be applied to any other work week. Also, time spent "on call" will not be counted towards the service commitment, except to the extent the provider is directly treating patients during that period

**For all health professionals** (except as noted below), at least 32 hours per week are spent providing direct patient care or teaching in the outpatient ambulatory care setting(s) at the approved service site(s) during normally scheduled office hours. The NHSC will consider telemedicine as direct patient care if: 1) both the originating site (location of the patient) and the distant site (the NHSC-approved site where the applicant works) are located in a HPSA meeting the HPSA score requirements associated with the contract under which the participant was awarded; 2) the applicant satisfies all applicable licensing requirements for their health profession and the NHSC requirement to be licensed in the State of practice (i.e., if the originating site and distant site are in different States, the applicant must be licensed in both); and 3) the applicant's telemedicine encounters are no more than 25 percent of direct patient care hours (i.e., no more than 8 hours per week). The remaining 8 hours per week are spent providing direct patient care or teaching at the approved site(s), providing clinical services in alternative settings (e.g., hospitals, nursing homes, shelters) as directed by the approved site(s), or performing practice-related administrative activities.

**For obstetricians/gynecologists, family practice physicians who practice obstetrics on a regular basis, providers of geriatric services, pediatric dentists, and certified nurse-midwives,** at least 21 hours per week are spent providing direct patient care or teaching in the outpatient ambulatory care setting(s) at the approved service site(s) during normally scheduled office hours. The remaining 19 hours per week are spent providing direct patient care or teaching at the approved site(s), providing clinical services in alternative settings (e.g., hospitals, nursing homes, shelters) as directed by the approved site(s), or performing practice-related administrative activities.

**For physicians (including psychiatrists), nurse practitioners, physician assistants, and certified nurse-midwives serving in a Critical Access Hospital** that is an approved site, at least 16 hours per week must be spent providing direct patient care or teaching in the CAH-affiliated outpatient ambulatory care setting(s) at the approved service site(s) during normally scheduled office hours. The remaining 24 hours per week are spent providing clinical services for patients or teaching at the CAH or the CAH-affiliated outpatient ambulatory care setting(s), providing direct patient care at the CAH's skilled nursing facility or swing bed unit, or performing practice-related administrative activities.

For all health professionals, practice-related **administrative activities** shall not exceed a total of 8 hours per week. In addition, **teaching activities** at the approved site(s) shall not exceed 8 hours per week, unless the teaching takes place in a HRSA-funded Teaching Health Center. Teaching activities in a HRSA-funded Teaching Health Center shall not exceed 20 hours per week.

3. Waive his or her right to any minimum salary or benefits.
4. Accept that he or she may not have malpractice insurance, including tail coverage, provided by the NHSC-approved service site(s) specified above. Participants must obtain and maintain malpractice coverage throughout the NHSC service period.
5. Maintain a current, full, permanent, unrestricted, and unencumbered health professions license in the State in which the approved service site is located, for the duration of the Individual's NHSC service obligation.
6. Comply with the charging requirements set forth in Section 334 of the Public Health Service Act (42 U.S.C. § 254g), including the obligations to treat all patients regardless of ability to pay, to use a sliding fee scale and charge reduced fees or no fees for patients with incomes at or below 200 percent of the poverty level, and to accept reimbursement under Medicare, Medicaid, and the State Children's Health Insurance Program.



**National Health Service Corps  
U.S. Department of Health and Human Services  
Health Resources and Services Administration**

7. Immediately report to the NHSC any changes in the Individual's employment, including work location and work hours.
8. Submit In-Service Verification Reports every 6 months of the service period, and such other documents as the Secretary may require to evaluate the Individual's compliance with NHSC service requirements.
9. Maintain practice records, including patient files, business/financial records, and appointment logs for the duration of service under this Agreement and for at least three (3) years after expiration of this Agreement. The Individual further agrees to allow NHSC representatives to conduct site visits to inspect the practice and its records, and to make himself/herself and office staff available to answer questions as needed.
10. Operate the private practice consistent with generally accepted standards of practice for the Individual's health professions discipline and specialty.
11. Accept that, as a PPO provider, he or she is ineligible to fulfill his or her service obligation in half-time clinical practice.
12. Be liable to the United States for damages in accordance with the Individual's NHSC Scholarship or Loan Repayment contract (as applicable) in the event of breaching this PPO Agreement.
13. The following additional conditions:

---

---

---

---

Individual's Name (Print)

Individual's Signature

Date